



Effective Data Analysis in Workforce Planning

MAXIMIZING YOUR YIELD



Introduction



“Our people are our greatest asset”

Introduction

An hourglass with blue sand is shown on a calendar. The top bulb is partially filled with blue sand, while the bottom bulb is mostly empty, with a small amount of sand spilled onto the calendar page. The calendar page is open to the month of January, with the date 17 visible. The background is a plain, light-colored surface.

We fall short of effective utilization. In the workforce planning domain, significant opportunities exist.

Introduction

With the proliferation of automation, our ability to perform effective data analysis in workforce planning has been elevated.

Introduction


Many struggle in developing a strategy and implementation plan that integrates data analysis and workforce planning.





Introduction

Solutions can be extended to
internal workforce planning



The leading sources of inefficiency in workforce planning

- Fragmentation

Full Time Equivalents



Full Time Equivalents

Assumption:

- One employee works 40 hours per week, for 52 weeks
- Total of 2080 hours

Full Time Equivalents

Given:

- A task/activity, e.g., negotiating small transactions of under \$10,000, requires 6240 hours
- FTEs needed for these negotiations $(6240/1080)?$ 3
- 3 FTEs cost \$80,000/FTE, total of \$240,000, in labor
- 3120 small transactions generate \$480,000 in savings
- ROI is 200%

Full Time Equivalents

Given:

- If 3 FTEs can negotiate big deals, at \$80,000/FTE, and save \$4,800,000, ROI is 2,000%

Full Time Equivalents

Question:

- How can the firm plan its workforce to yield the maximum ROI on its FTEs?

Avoid Fragmentation

	Hours Needed			Total
	Person A	Person B	Person C	
Small Negotiations	360	360	360	1080
Large Negotiations	720	720	720	2160
Total	1080	1080	1080	3240

	Hours Needed			Total
	Person A	Person B	Person C	
Small Negotiations	1080	0	0	1080
Large Negotiations	0	1080	1080	2160
Total	1080	1080	1080	3240

Avoid Fragmentation

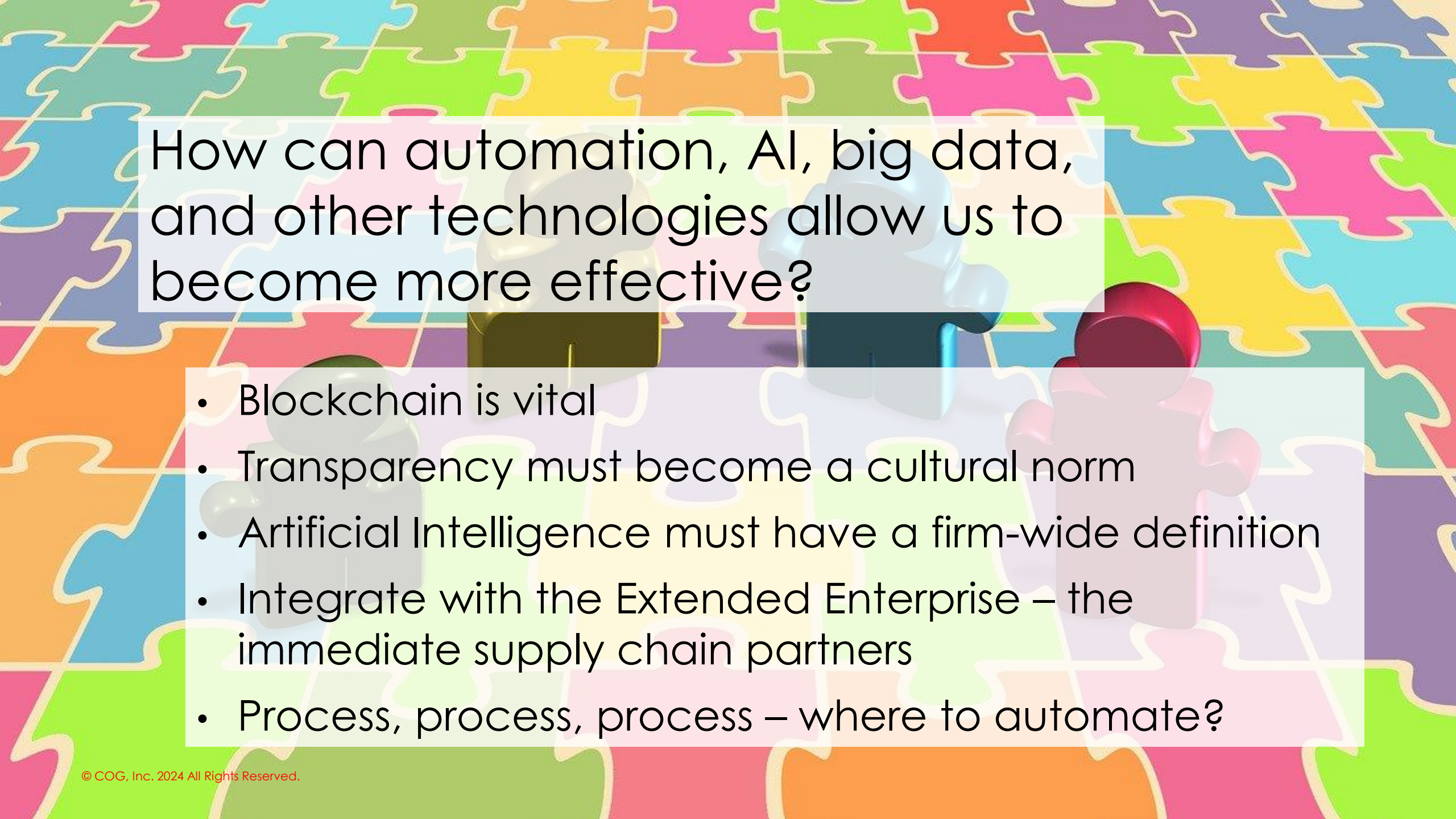
Opportunities:

- Look for what we can do more, less, differently, or stop
- Identify the firm where the task can be performed with fewer FTEs, cheapest FTEs
- Balance FTE cost versus FTE risk – “cheaper is not always better”
- Streamline process
- Automate



The leading sources of inefficiency in workforce planning

- Firm's strategy/purpose – aligned to employee/position
- Lack of bilateral communication - feedback
- Failure to adapt roles to new needs
- Lack of process and standards
- Lack of reporting – time consumption, results, and ROI



How can automation, AI, big data, and other technologies allow us to become more effective?

- Blockchain is vital
- Transparency must become a cultural norm
- Artificial Intelligence must have a firm-wide definition
- Integrate with the Extended Enterprise – the immediate supply chain partners
- Process, process, process – where to automate?



What are the investments required for effective data analysis?

- Recruiting
- Retention
- Skills development
- The technology
- Implementing the analysis



How can we ensure the ROI in the investment is justified and compelling?

- Accurate and verifiable data
- Solicit input – over-inclusion, not under-inclusion
- Under-promise and over-deliver
- Embrace sales and marketing discipline



What are the unique attributes of the procurement and supply chain management workforce?

- Versatile negotiators
- Contract and tender drafting
- Post-award contract management
- Cost accounting
- Risk, change, project management
- Trust building, collaboration, innovation

Checkpoints



- Understand your technology's capabilities
 - Think beyond your immediate firm
 - Define the current and future picture
 - Analyze the FTEs
 - Review your direct and indirect resources
- 



How Does This Apply to Your Situation?

What opportunity can you identify in your role?

Questions...





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